



Empire State Development

FILM TAX CREDIT – QUARTERLY REPORT
CALENDAR YEAR 2023: SECOND QUARTER
JUNE 30, 2023

Empire State Development (ESD) oversees administration of the film production and post-production tax credits.

This report reflects program activity during this quarter. The information presented includes projected spending, hires, and estimated credits for film and post-production projects deemed eligible to participate in the Program, and, pursuant to new reporting requirements, actual spending, hires and credits issued to projects that have been completed and audited.

ESD accepts initial applications on a rolling basis and reviews them when deemed complete. A preliminary eligibility determination is made for all applications that meet the criteria set forth in statute and regulations and applicants are invited to submit a final application once projects are finished. This report reflects new applications submitted during April, May, and June 2023.

Production companies may be eligible to receive a fully refundable base line credit of 30 percent of qualified production costs and post-production costs incurred in New York State. Additional incentives may be available in each of the tax credit Programs and subject to additional requirements.

INITIAL APPLICATIONS BY TAX CREDIT LEVEL

The tax credit is claimed pursuant to a three-tiered schedule. Projects issued less than \$1 million in credits can claim the entire credit in the first year. Projects with credits issued of more than \$1 million but less than \$5 million can claim the credit over two years (50% each year); and projects issued credits of \$5 million or more can claim the credit over three years (33% each year). Below is a summary of both production and post-production initial applications received this quarter based on the amount of estimated credits.

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- Number of Projects, estimated credits of less than \$1 million 27 projects / \$10,173,553
- Number of Projects, estimated credits of \$1 million up to \$5 million: 5 projects / \$9,972,468
- Number of Projects, estimated credits of \$5 million or more: 5 projects / \$130,958,431

For film production projects, once a project is completed and a final application is submitted and approved, a tax credit certificate is issued. The timing of credit claims is based on: (1) the date of initial application, (2) the project completion date, (3) the allocation year and (4) the size of the credit allotted. The first year an approved applicant can claim a credit depends upon the date of initial application. It is the taxable year in which the project is completed, the allocation year if the project applied after April 1, 2023, and if this is later than when the project is completed, or if the project applied prior to April 1, 2023, the year following the allocation year if this is later than when the project is completed.

For post-production projects, the credit shall be allowed for the taxable year in which the production of such qualified film is completed.

The projected completion dates for the initial applications submitted this quarter fall between June 2023 and March 2025.

INITIAL APPLICATIONS – FILM PRODUCTION CREDIT

During the second quarter of 2023, the Film Tax Credit Program deemed 15 initial applications eligible to submit a final application for credits. The data in this report is based on those projects, which include 11 films and 4 series pilot totaling over \$132.7 million in estimated credits.

INITIAL APPLICATIONS – FILM PRODUCTION CREDIT – BY MONTH

- April 2023, 3 initial applications received, estimated tax credits: \$63,670,025
- May 2023, 9 initial applications received, estimated tax credits: \$67,737,513
- June 2023, 3 initial applications received, estimated tax credits: \$1,301,959

Chart A shows the estimated number of hires, qualified costs, and total New York budget per project for the 15 initial applications approved this quarter. The New York budget represents the estimated spending in New York State. The figures shown in the column for number of employees are head-count numbers, not full-time equivalents.

FILM-PRODUCTION TAX CREDIT PROGRAM			
Chart A			
Initial Applications Submitted During 2nd Quarter 2023			
ID	Number of Employees	Qualified Costs	Total NY Budget
2810	3447	\$74,636,312	\$79,787,112
2811	2929	\$111,303,360	\$130,003,224
2812	2820	\$76,406,413	\$80,525,128
2813	689	\$6,219,807	\$7,427,053
2814	284	\$2,971,217	\$3,512,274
2815	197	\$6,226,256	\$7,422,575
2816	2093	\$117,393,456	\$139,877,568
2817	137	\$1,742,616	\$1,995,981
2818	89	\$1,415,234	\$1,551,216
2819	261	\$2,859,735	\$2,991,635
2820	113	\$6,848,676	\$7,881,456
2821	141	\$1,495,698	\$1,743,146
2822	42	\$688,454	\$959,935
2823	154	\$2,460,669	\$2,649,327
2824	37	\$215,584	\$263,713
Totals	13,433	\$412,883,487	\$468,591,343

INITIAL APPLICATIONS – POST-PRODUCTION CREDIT

During the second quarter of 2023, the Film Tax Credit Program deemed 22 initial applications for the post-production tax credit eligible to submit a final application for credits.

INITIAL APPLICATIONS – POST- PRODUCTION CREDIT – BY MONTH

- April 2023, 5 initial applications received, estimated tax credits: \$2,355,492
- May 2023, 12 initial applications received, estimated tax credits: \$15,158,161
- June 2023, 5 initial applications received, estimated tax credits: \$881,302

Chart B shows the estimated number of hires, qualified costs, and total New York budget for each of the 22 post-production projects approved this quarter.

POST-PRODUCTION TAX CREDIT PROGRAM			
Chart B			
Initial Applications Submitted During the 2nd Quarter 2023			
ID	Number of Employees	Qualified Costs	Total NY Budget
988	1	\$1,386,051	\$1,386,051
989	10	\$864,249	\$864,249
990	3	\$412,143	\$567,143
991	0	\$2,275,000	\$2,275,000
992	16	\$4,388,724	\$4,766,271
993	8	\$1,732,283	\$2,138,251
994	3	\$356,798	\$356,798
995	13	\$848,792	\$1,048,792
996	64	\$32,376,252	\$35,756,252
997	0	\$2,500,000	\$2,500,000
998	11	\$1,311,671	\$1,923,928
999	7	\$1,065,352	\$1,075,852
1000	0	\$3,000,000	\$3,000,000
1001	7	\$288,074	\$353,027
1002	0	\$1,620,000	\$1,620,000
1003	37	\$7,124,004	\$11,421,514
1004	3	\$182,281	\$182,281
1005	6	\$566,778	\$585,278
1006	6	\$619,277	\$742,277
1007	5	\$389,916	\$429,916
1009	14	\$1,609,181	\$2,437,006
1010	8	\$340,059	\$435,059
Totals	222	\$65,256,885	\$75,864,945

FINAL APPLICATIONS – CREDITS ISSUED – FILM PRODUCTION AND POST-PRODUCTION

Effective 2013, statutory provisions require the reporting of the following information: the name of the company receiving the film and post-production tax credit, the amount of tax credit issued, and the credit eligible hours and wages for each project issued a credit.

During the second quarter of 2023, 27 film projects and 21 post-production projects were issued credits that are subject to this requirement. Charts C and D show the project name, the studio when applicable, the company that was issued the credit, the state where the company is incorporated, the county when applicable, the qualified costs, the total spending in New York

State, the total number of employees hired, the credit eligible hours and credit eligible wages, and the credit issued amount for each of these 48 projects.

- Chart C - The 27 film projects issued credits during this reporting period spent \$410.7 million in New York State, hired 15,950 production workers, and were issued credits of \$93.2 million.
- Chart D - The 21 post-production project issued credit during this period spent \$60.47 million in New York State, hired 438 production workers, and were issued credits of \$14.65 million.

EMPIRE STATE ENTERTAINMENT DIVERSITY JOB TRAINING DEVELOPMENT FUND

Effective January 2020, recipients of film production and post-production tax credits are required to relinquish one quarter of one percent of their earned tax credit to capitalize the Empire State Entertainment Diversity Job Training Development Fund. This percent was increased to half of one percent effective January 2023. This first-in-the-nation New York Entertainment Workforce Diversity Grant Program supports efforts to recruit, hire, promote, retain, develop, and train a diverse and inclusive workforce in the motion picture and television industry in New York. Applications for grant funding are accepted on a rolling basis.

The following charts C & D reflect the amount of credit diverted from each project.

Chart C											
Film Tax Credit Program - Credits Issued											
PROJECT	Studio	Company	State of Inc.	County	Qualified Costs	NYS Spend	Total Hires	Credit Eligible Hours	Credit Eligible Wages	Credit Issued Amount	Diversity Credit Amount
Annie Live!	NBCU	Chloe Productions, Inc.	CA		\$10,428,520	\$14,649,171	310	39,808	\$2,794,552	\$2,594,094	\$13,036
Before You Know It		Stupid Happy Production, Inc.	NY	Kings	\$1,377,584	\$1,908,109	353	22,977	\$490,126	\$411,209	\$2,066
The Binge		Film Six LLC	NY	Onondaga	\$6,300,040	\$9,419,573	980	85,269	\$3,151,735	\$2,303,904	\$11,577
The Birthday Cake		The Birthday Cake Film, LLC	NY	Kings	\$1,085,139	\$1,826,207	124	13,666	\$444,011	\$323,914	\$1,628
Bridge & Tunnel - S1		Eighties New York 1 LLC	DE		\$8,231,595	\$10,660,665	335	81,942	\$3,928,647	\$2,047,610	\$10,289
Brighton Beach		Original Love LLC	NY	Kings	\$1,234,085	\$1,769,653	377	32,658	\$591,899	\$368,374	\$1,851
Bull - S5	Paramount Global	CBS Television Studios	DE		\$60,634,423	\$75,863,025	993	564,274	\$28,232,938	\$18,099,375	\$90,952
A Deadly Legend		REMcycle Productions, LLC	NY	Sullivan	\$755,213	\$1,052,429	112	11,084	\$332,672	\$258,993	\$1,301
The Drew Barrymore Show - S1	Paramount Global	Big Ticket Pictures, Inc.	CA		\$14,784,980	\$23,401,536	172	75,159	\$3,724,666	\$4,413,317	\$22,177
Here Today		Peachtree Cinema 7, LLC	GA		\$9,495,504	\$13,033,435	1335	108,538	\$4,739,818	\$3,020,545	\$15,179
I Know This Much Is True	Warner Bros Discovery	Calling Grace Productions, LLC	DE		\$69,138,852	\$83,220,231	2545	629,026	\$30,642,651	\$24,091,297	\$121,062
Love & Everything in Between		LEIB Filmworks LLC	NV		\$242,925	\$322,290	87	4,548	\$111,601	\$72,513	\$364
Measure of Revenge		Tradgedienne Inc	NY	New York	\$1,368,077	\$1,734,669	350	23,681	\$720,826	\$408,371	\$2,052
Meaty - Pilot	Paramount Global	Central Productions LLC	DE		\$811,549	\$1,052,991	172	7,419	\$413,624	\$202,992	\$1,020

Chart C Continued

PROJECT	Studio	Company	State of Inc.	County	Qualified Costs	NYS Spend	Total Hires	Credit Eligible Hours	Credit Eligible Wages	Credit Issued Amount	Diversity Credit Amount
Mob Town		SitDown Film, Inc	NY	New York	\$663,554	\$817,364	203	18,767	\$384,270	\$233,655	\$1,174
A Mouthful of Air		AMOA Picture, Inc	NY	Albany	\$1,995,321	\$2,397,539	335	30,614	\$868,369	\$595,603	\$2,993
The Mystery of Her		Water Street Entertainment, Inc.	NY	Monroe	\$448,955	\$593,943	53	9,028	\$205,821	\$132,157	\$664
Patriot Act - S6		Art & Industry, Inc.	NY	New York	\$2,165,895	\$7,497,217	164	10,199	\$489,605	\$646,520	\$3,249
The Photograph	NBCU	Dark Room Pictures LLC	LA		\$13,444,275	\$18,303,941	1532	118,249	\$6,666,569	\$4,013,117	\$20,166
Sesame Street - S51		Sesame Season 51 Productions Inc.	NY	New York	\$9,901,944	\$14,735,329	364	79,600	\$4,221,963	\$2,955,730	\$14,853
Slapface		Slapface Movie LLC	CA		\$304,846	\$405,302	54	2,345	\$124,720	\$90,997	\$457
Small Engine Repair		Drop Shot Productions, Inc	NY	Westchester	\$959,391	\$1,295,573	186	14,925	\$323,457	\$286,378	\$1,439
That Damn Michael Che - S1		Community Service Productions, LLC	NY	New York	\$14,724,616	\$19,169,071	1041	114,932	\$5,542,928	\$3,662,748	\$18,406
Things Heard and Seen	Netflix	Citiot Productions Inc.	NY	New York	\$16,208,714	\$22,359,598	893	140,047	\$8,745,173	\$5,694,357	\$28,615
We Are Living Things		Walt Production Inc	NY	Queens	\$414,944	\$573,554	136	11,616	\$221,020	\$125,835	\$632
The Wendy Williams Show - S11	Lionsgate	Talk WW Production Inc	CA		\$10,684,214	\$20,213,996	321	74,048	\$3,815,751	\$3,189,238	\$16,026
Younger - Season 7	Paramount Global	Viacom International, Inc.	DE		\$43,679,282	\$62,444,639	2423	308,478	\$16,547,159	\$13,038,266	\$65,519
Totals					\$301,484,437	\$410,721,050	15950	2,632,897	\$128,476,571	\$93,281,107	\$468,749

Chart D											
POST - Production Tax Credit Program - Credits Issued											
Project	Studio	Company	State of Inc.	County	Qualified Costs	NYS Spend	Total Hires	Credit Eligible Hours	Credit Eligible Wages	Credit Issued Amount	Diversity Credit Amount
Chaos Walking	Lionsgate	Coupon Productions, Inc.	CA		\$5,576,989	\$6,987,109	18	40,609	\$5,415,890	\$1,664,732	\$8,365
Deep Water		Old Print Productions LLC	LA		\$4,878,474	\$5,070,672	11	35,078	\$2,990,062	\$1,456,224	\$7,318
The Evening Hour		Backslider NY Inc	NY	New York	\$403,834	\$407,120	3	3,457	\$137,734	\$120,544	\$606
The Good House	NBCU	Iota Productions, LLC	DE		\$431,134	\$431,134	0	0	\$0	\$128,693	\$647
Hillbilly Elegy	Netflix	Netflix Productions, LLC	DE		\$3,292,272	\$4,855,784	10	19,912	\$1,152,426	\$982,744	\$4,938
Judas and the Black Messiah	Warner Bros Discovery	Red Zone Pictures, Inc.	CA		\$4,130,836	\$5,827,392	57	20,999	\$1,807,615	\$1,233,055	\$6,196
Land		Edee's Cabin LLC	NY	New York	\$992,363	\$1,214,299	12	4,780	\$426,938	\$296,220	\$1,489
Ma Rainey's Black Bottom	Netflix	Netflix Productions, LLC	DE		\$2,165,161	\$2,297,697	25	17,582	\$990,045	\$646,300	\$3,248
Masters Of Doom - Pilot	NBCU	Universal Television LLC	CA		\$495,527	\$566,131	7	2,830	\$167,280	\$147,915	\$743
Mona Lisa and the Blood Moon		Institution of Production, LLC	LA		\$772,656	\$812,346	5	7,724	\$329,737	\$231,975	\$1,166
My Love Affair With Marriage		The Marriage Project LLC	NY	Kings	\$580,023	\$582,598	39	16,306	\$218,031	\$173,248	\$871
Nobody	NBCU	Nobody Films LLC	DE		\$537,192	\$537,368	0	0	\$0	\$160,352	\$806
Our Cartoon President - S3	Paramount Global	Late Night Cartoons Inc.	DE		\$8,651,242	\$13,198,451	155	229,627	\$7,430,722	\$2,582,396	\$12,977
Project Power	Netflix	Laser Sharp Productions, LLC	LA		\$4,874,034	\$5,911,493	19	40,440	\$2,394,015	\$1,454,899	\$7,311

Chart D, continued

Project	Studio	Company	State of Inc.	County	Qualified Costs	NYS Spend	Total Hires	Credit Eligible Hours	Credit Eligible Wages	Credit Issued Amount	Diversity Credit Amount
The Secrets We Keep		TSWK, Inc	LA		\$572,807	\$585,428	24	3,026	\$128,461	\$170,983	\$859
Servant - S1		Uncle George Productions, LLC	PA		\$709,136	\$709,136	0	0	\$0	\$224,601	\$1,129
Spiked		Spiked, LLC	AZ		\$264,730	\$297,301	8	2,485	\$154,500	\$79,022	\$397
Stillwater		Epsilon Productions, LLC	DE		\$2,688,641	\$2,861,237	18	18,726	\$939,688	\$802,559	\$4,033
Stockton - S1	Apple	Terrapin Productions, Inc.	CA		\$4,716,949	\$4,812,341	12	31,296	\$2,024,941	\$1,423,867	\$7,155
The Swerve		A Vague Sense of Unease, LLC	NY	Kings	\$67,607	\$99,291	5	59	\$1,499	\$21,937	\$110
White Tiger	Netflix	Pivot Pictures, LLC	DE		\$2,200,328	\$2,414,516	10	22,908	\$1,298,305	\$656,798	\$3,300
Totals					\$49,001,935	\$60,478,844	438	517,844	\$28,007,889	\$14,659,064	\$73,664